

LOK SABHA DEBATES

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Thursday, August 7, 1997/Shravana 16, 1919 (Saka)

The Lok Sabha met at Eleven of the Clock

[MR. DEPUTY SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS

[English]

Qualcomm System of Wireless

*221. SHRI RUPCHAND PAL :
SHRI A. SAMPATH :

Will the Minister of COMMUNICATIONS be pleased to state :

(a) whether the Telecommunication Engineering Centre (TEC) refused to certify Qualcomm system of wireless-based telephone technology suitable for the country;

(b) if so, the details thereof;

(c) whether the Government have entered into an agreement with the company without even going through the normal process of inviting tenders etc.; and

(d) if so, the compulsions for signing the said agreement?

[Translation]

THE MINISTER OF COMMUNICATIONS (SHRI BENI PRASAD VARMA) : (a) to (d) A statement is laid on the Table of the House.

Statement

The Telecom Engineering Centre has tested the system and found the equipment suitable for loading with commercial subscribers. A 1000 line capacity system has been installed in MTNL Delhi at Bhikaji Cama Place Telephone Exchange. The system supports 500 fixed wireless telephones and 500 handportable telephones. The system's performance is being evaluated.

After due consideration of various technological options the Department decided for the introduction of Wireless in Local Loop (WLL) in India. A number of companies were addressed to offer equipment for field trial. Based on the response received, a price negotiation committee was constituted and based on its recommendations this system was procured for field trial.

SHRI RUPCHAND PAL : Mr. Deputy-Speaker, Sir we are all aware of the large scale corruption involved in the telecom tenders during the tenure of the former Minister of Telecommunications. Now, while selecting the appropriate technology for any nation, the nation's capacity to absorb that technology, its competitiveness and many other allied factors are taken into consideration. But in respect of this particular Wireless in Local Loop (WLL) technology, Qualcomm was given a unilateral trial order even without caring for the clearance of the Telecommunication Engineering Centre (TEC).

The Telecommunication Engineering Centre had raised very serious objections about the limitations of the system even during the trial period. They had stated that Qualcomm system did not offer services like line and junction tests from the subscribers' premises, tone and announcement validation, abbreviated dialling, temporary transfer call forward, three-way calling call waiting, subscriber unit line test, alarm call, hot line, system load and overload reliability, calender management, monitoring of cells, access to public utility services like fax, data, pay phone and such other things. In spite of these reservations and objections raised by the Telecommunications Engineering Centre, Qualcomm had been given this offer, although there are several technologies available in the world. The Wireless in Local Loop technology is available in European countries and they have also raised their eyebrows about this offer to the US telecom company.

May I know from the hon. Minister the reasons for this unilateral trial order? Then, why were the TEC's reservations and objections ignored by the Department of Telecommunications.

[Translation]

SHRI BENI PRASAD VARMA : Sir the Telecom Communication has taken a decision in March, 1994 to instal this new technique of the wireless in local loop in the non-feasible areas for providing telephone connections at the earliest for commercial use. A decision was taken to conduct field trial of the C.D.M.A. and CD-11 technology. 12 companies had offered their technology in this regard. Price Negotiation Committee had negotiated it in November, 1994. M/s Qualcomm was given order for providing this technology for installing one thousand lines in Delhi on system trial basis. 12 companies were there at that time. As per our information, this offer was also given to them.

10 out of them did not respond to the offer. M/s Motorola and the Qualcomm responded to it but Motorola did not respond later on. Only the Qualcomm was accorded permission for field trial and this field trial is being undertaken and the final report thereon is awaited. After completion of field trial bulk order would be given. All the officers have been sounded in this regard and none of them would be given priority. Whatever technology is available for providing this service, permission would be given including all bulk tenders in it.

[English]

SHRI RUPCHAND PAL : Sir, both in software and telecom sectors, the Indian talents are providing excellent services the world over, and there is no dearth of Indian talent who can provide the goods. In IIT, Chennai, a team had developed one excellent Wireless in Local Loop technology, but the unfortunate part of it is that they were debarred from participating in the commercial process.

May I know from the hon. Minister whether due consideration to the indigenous technology and indigenous talent, particularly the products coming out of the IITs in respect of software and telecom equipments, would be given preference over the offer of the U.S. telecom company, since this particular technology of theirs did not make any dent even in the U.S. market?

[Translation]

SHRI BENI PRASAD VARMA : Mr. Deputy Speaker, Sir, the I.I.T., Madras has developed this system but as I am informed that its range is limited as yet, nonetheless the officers have been told to give permission for its field trial. It would be our efforts that if our companies start manufacturing it indigenously by transferring technology, that would be better.

[English]

SHRI. A. SAMPATH : Messrs. Qualicomm, USA, Messrs. Motorola, USA, Messrs. Motorola, Singapore, Messrs. Dassault Automatismes and Messrs. ET Telecom, France are the five companies which were interested in the WLL services in India. This was the answer that was given to this hon. House on 8.8.1994. A number of other companies were also interested in the cellular service. I understand that these companies are willing to operate in India only by utilising the infrastructure provided by the Department of Telecommunications. They are making exorbitant profit also. The cost of air time is so much that only the rich and the affluent can afford these types of telephones.

During the strike by the employees of the Department of Telecommunications some years back, there was an understanding between the Department of Telecommunications and the employees that in future the Department of Telecommunications would enter into the fields of WLL and the cellular service, which the Department itself would operate. But I understand this thing is being dragged on. Therefore, my question is, will the Department of Telecommunications enter into the WLL service and the cellular service? If so, when?

[Translation]

SHRI BENI PRASAD VARMA : Mr. Deputy Speaker, Sir, we have this option that in each circle one private company and DOT should operate but the DOT system is

also operating in cellular and basic services. In Delhi, the trial of C.D.A. technology is being undertaken. Its range is 20 Kms. We have the option that cellular service should be commenced in a circle or a metro city. But we will have to think over it as to when and how the DOT service should be started, at present I do not have any answer in this regard. But this option is with us that the DOT could also start its service along with a private operator.

[English]

SHRI V. DHANANJAYA KUMAR : Sir, the Department of Telecommunications has failed in giving the basic services to the rural parts of the country. At the same time it is not that the D.O.T. is entailing losses all the time. I would give an example of the district from where I come, that is the Dakshina Kannada Telecom District where huge profits are earned by the D.O.T. But a large number of consumers are waiting since long in the rural areas and Department is not able to cater to their needs. If this Wireless Local Loop Service could be employed in the rural areas then the waiting consumers can be provided with new telephone connections.

I would like to know from the hon. Minister whether the Department is thinking of undertaking such kind of trials, which are undertaken in the metro cities like Delhi, in the rural areas also where the D.O.T. is really earning profit so that the long-waiting consumers can get the services of this kind of a system. Actually in some of terrains it is very difficult to have lines and the cutting of trees is not permitted and the open wire system has failed. In such cases this wireless local loop would be more beneficial. I would like to know specifically from the hon. Minister whether the Department is thinking that such a system would be given a trial in the rural areas.

[Translation]

SHRI BENI PRASAD VARMA : Sir, the hon. member has given a good suggestion. We will certainly consider in this regard.

MR. DEPUTY SPEAKER : It is a good suggestion but the wireless system which is installed at my residence is not functioning properly.

SHRI BENI PRASAD VARMA : This service has not yet been started. We will do consider over this aspect.

SHRI V. DHANANJAYA KUMAR : I submit to the hon. minister that rural people are waiting for this service in their areas for the last ten years.

SHRI BENI PRASAD VARMA : We will pay attention to it.

SHRI V. DHANANJAYA KUMAR : It will take another ten years after you consider over it. When will this service be provided to them? (Interruptions)

[Translation]

Shortage of Power

*222. SHRI DATTA MEGHE : Will the Minister of POWER be pleased to state :

(a) whether there is acute shortage of power in many parts of the country particularly in Maharashtra;

(b) if so, the actual demand and supply of power at present, State-wise;

(c) the details of the power projects being run with World Bank assistance;

(d) whether the World Bank has asked the State Governments to withdraw the subsidy on power in agriculture sector;

(e) if so, the reasons therefor; and

(f) the time by which the supply of power is likely to improve in the States particularly in Maharashtra?

[English]

THE MINISTER OF STATE OF THE MINISTRY OF SCIENCE AND TECHNOLOGY AND MINISTER OF STATE OF THE MINISTRY OF POWER (SHRI YOGINDER K. ALAGH) : (a) to (f) A Statement is laid on the Table of the House.

Statement

(a) Power shortage continues to persist in many parts of the country including Maharashtra on account of the fact that power generation has not kept pace with increase in demand. However, during the last two months, there has been a marked improvement in power generation. Energy generation in June and July, 1997 recorded a significant increase of 8.2% and 8.4% over the generation level during the corresponding months of the previous year, which has taken place after 21 months.

The energy shortage and peak deficit during June, 1997 was 9.6% and 19% respectively. The corresponding figures for Maharashtra was 4.5% and 13.2%.

(b) The State-wise details of energy shortage and peak deficit during June, 1997 is given at Annexure-I.

(c) The details of the World Bank assisted power projects is given at Annexure-II.

(d) & (e) The World Bank as expressed concern about the financial viability of investments in the power sector. The World Bank has also stressed the need to improve the financial health of State Electricity Boards by ensuring that the tariffs are fixed in a rational manner to generate surplus and to provide an adequate return on the capital employed. In the case of Maharashtra (IInd Maharashtra Power

Project Loan No. 3498-IN, which is intended for Chandrapur Unit No. VII (500 MW) and construction of HVDC Chandrapur and Padghe Line), the loan was suspended due to the inability of the Government of Maharashtra to comply with a number of the provisions of the Project Agreement. The World Bank had suggested that a tariff increase should be implemented in order to achieve an annual rate of return of 4.5 per cent of the average net value of fixed assets in operation.

(f) Power supply position in the country is likely to improve as a result of long term measures and short term measures proposed to be implemented during the 9th Five Plan period (1997-2002).

The Government of Maharashtra has identified several projects for capacity addition during the Ninth Five Year Plan (1997-2002). The details of the projects and their present status of implementation/clearance is as under :

Sl. No.	Name of the Project	Installed Capacity	Remarks
1.	Chandrapur Unit-VII	500 MW	Under execution
2.	Khaparkheda Unit II & IV	420 MW	Funding modalities are being tied up
3.	Koyna Project	1000 MW	On going.
4.	Small Hydro	341 MW	Being promoted by Government of Maharashtra.
5.	Bhirra	150 MW	Being promoted by Government of Maharashtra/Tata.
6.	Bhirpuri	90 MW	Being promoted by Government of Maharashtra/Tata.
7.	Dhabol	2184 MW	Phase-I (740 MW) under execution. Phase-II (1275 MW) to be taken up.
8.	Patalganga	410 MW	In principle clearance has been accorded by DEA.
9.	Bhadrawati	1082 MW	The project has obtained the techno-economic clearance from DEA. The Government of India has approved issue of counter guarantee to the project on March 22, 1977. The GOM/MSEB are finalising the coal supply and price agreements.
10.	Sardar Sarovar Vindhyachal	555 MW	Maharashtra's share.
		6732 MW	